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BEFORE THE BOARD OF PATENT APPEALS AND INTERFERENCES

Application Number: 10/022,957
Filing Date: December18, 2001
Appellant(s): DORAN, WAYNE

Michael Chan
For Appellant

EXAMINER'S ANSWER

This is in response to the appeal brief filed December 20, 2007.

(1) Real Party in Interest

A statement identifying the real party in interest is contained in the brief.

(2) Related Appeals and Interferences

The examiner is not aware of any related appeals, interferences, or judicial proceedings which will directly affect or be directly affected by or have a bearing on the Board's decision in the pending appeal.

(3) Status of Claims

The statement of the status of the claims contained in the brief is correct

(4) Status of Amendments After Final.

The Appellant's statement of the status of amendments after final rejection contained in the brief is correct

(5) Summary of the Invention.

The summary of the invention contained in the brief is correct.

(6) Grounds of Rejection to be Reviewed on Appeal

The appellant's statement of the grounds of rejection to be reviewed on appeal is correct.

(7) Claims Appendix

The copy of the appealed claims contained in the Appendix to the brief is correct.

(8) Evidence Relied Upon.

Chang et al. (US Patent 5,884,288)

Bozeman (US Patent 6,754,640)

Talati et al. (US Patent 5,903,878).

(9) Grounds of Rejection.

The following ground(s) of rejection are applicable to the appealed claims:

Claim Rejections - 35 USC § 103

The following is a quotation of 35 U.S.C. 103(a) which forms the basis for all obviousness rejections set forth in this Office action:

(a) A patent may not be obtained though the invention is not identically disclosed or described as set forth in section 102 of this title, if the differences between the subject matter sought to be patented and the prior art are such that the subject matter as a whole would have been obvious at the time the invention was made to a person having ordinary skill in the art to which said subject matter pertains. Patentability shall not be negatived by the manner in which the invention was made.

Claims 48-62 are rejected under 35 U.S.C. 103(a) as being unpatentable over Chang et al. (US Patent 5,884,288) in view of Bozeman (US Patent 6,754,640) and in further view of Talati et al. (US Patent 5,903,878).

As per claim 51,

Chang et al. ('288) discloses a computer implemented method by a financial institution, the method comprising, by a server associated with the financial institution:

receiving from a check payor a request for a validation number yet to be generated and then associated with a check to be presented fiom the check payor to a check

payee; (Figure 6 [bill payment database contains validation numbers, Examiner notes that the feature of "yet to be determined is not a postive claim limitation since events in the future are not tangible])

Chang et al. ('288) does not explicitly disclose determining if an account contains sufficient funds to cover the monetary amount of the check to be presented from the check payor to the check payee; Bozeman ('640) discloses determining if an account contains sufficient funds to cover the monetary amount of the check to be presented from the check payor to the check payee; (Column 12, lines 7-19 [..checks for sufficient funds..]) It would be obvious to one having ordinary skill in the art at the time the invention was made to combine the Chang et al. ('288). method with the Bozeman ('640) method in order to prevent illegal transactions from occurring.

Chang et al. ('288) does not explicitly disclose issuing the generated validation number to the check payor to allow the check payor to associate the generated validation number with the check to be presented to the check payee; Talati et al. ('878) discloses issuing the generated validation number to the check payor to allow the check payor to associate the generated validation number with the check to be presented to the check payee; (Column 7, lines 25-63) It would be obvious to one having ordinary skill in the art at the time the invention was made to combine the Chang et al. ('288). method with the Talati et al. ('878) method in order to prevent illegal transactions from occurring by validating the transaction with the originating party..

Chang et al. ('288) does not explicitly disclose generating a validation number when the account contains sufficient funds to cover the monetary amount of the check to be presented froin the check payor to the check payee; Talati et al. ('878) discloses generating a validation

number when the account contains sufficient funds to cover the monetary amount of the check to be presented froin the check payor to the check payee; (Column 7, line 45 – column 8, line 16) It would be obvious to one having ordinary skill in the art at the time the invention was made to combine the Chang et al. ('288). method with the Talati et al. ('878) method in order to prevent illegal transactions from occurring by validating the transaction with the originating party..

Claims 48, 49, 53, 54, 57, 58, 59 and 61 are in parallel with claim 51 and are rejected for at least the same reasons.

In regards to claims 54 and 57

Chang et al. ('288) does not explicitly disclose means for establishing a proposed character sequence for the check; means for transmitting the proposed character sequence to the first requestor over the internet; Talati et al. ('878) discloses means for establishing a proposed character sequence for the check; means for transmitting the proposed character sequence to the first requestor over the internet; (Column 7, lines 25-63) It would be obvious to one having ordinary skill in the art at the time the invention was made to combine the Chang et al. ('288). method with the Talati et al. ('878) method in order to prevent illegal transactions from occurring by validating the transaction with the originating party..

As per claim 50,

Chang et al. ('288) discloses a computer implemented method according to claim 23, wherein the at least some information associated with the check comprises:

Chang et al. ('288) does not explicitly disclose a date of the check; a serial number of the check; an account number of the account; a monetary amount of the check; a payee of the check; symbols identifying a drawee financial institution which maintains custody of the account; and a Uniform Resource Locator (URL). Talati et al. ('878) discloses a date of the check; a serial number of the check; an account numberof the account; a monetary amount of the check; a payee of the check; symbols identifying a drawee financial institution which maintains custody of the account; and a Uniform Resource Locator (URL). (Column 7, lines 25-44) It would be obvious to one having ordinary skill in the art at the time the invention was made to combine the Chang et al. ('288). method with the Talati et al. ('878) method in order to prevent illegal transactions from occurring by validating the transaction with the originating party..

Claim 60 is in parallel with claim 24 and is rejected for at least the same reasons.

As per claim 52,

Chang et al. ('288) discloses a computer implemented method according to claim 51,

Chang et al. ('288) does not explicitly disclose wherein allocating funds comprises deducting the monetary amount from the account. Talati et al. ('878) discloses allocating funds comprises deducting the monetary amount from the account. (Column 7, line 64 – column 8 line 16) It would be obvious to one having ordinary skill in the art at the time the invention was made to combine the Chang et al. ('288). method with the Talati et al. ('878) method in order to profit from the transaction.

Claim 62 is in parallel with claim 52 and is rejected for at least the same reasons.

As per claim 55,

Chang et al. ('288) discloses a system according to claim 54,

Official Notice is taken that " the validation number is randomly generated by a financial institution" is common and well known in prior art in reference to security protocols. It would have been obvious to one having ordinary skill in the art at the time the invention was made to utilize a random number in order to prevent transaction information from being associated with a customer's account, the Examiner notes that the usage of random numbers is common to many cryptography systems.

As per claim 56,

Chang et al. ('288) discloses a system according to claim 54,

Chang et al. ('288) does not explicitly disclose wherein the validation number is derived using at least some information associated with the check.; Talati et al. ('878) discloses wherein the validation number is derived using at least some information associated with the check. (Column 7, lines 25-63) It would be obvious to one having ordinary skill in the art at the time the invention was made to combine the Chang et al. ('288). method with the Talati et al. ('878) method in order to prevent illegal transactions from occurring by validating the transaction with the originating party..

(10) Response to Argument.

The Applleant states that the prior art record fails to disclose "generating a validation number when the account contains sufficient funds to cover the monetary amount of the check to be presented from the check payor to the check payee", furthermore in the present application, it is a server associated with a financial institution, such as a bank, which is generating a validation number when a determination is made that an account contains sufficient funds.

The Examiner responds that Talahti creates a validation number from the combination of an account number and a bank number at the point of processing the transaction. The examiner submits that the combination of these items is used to verify the authenticity of the transaction and allow further processing of the transaction. The examiner submits that the combination of account number and a bank number by the payee bank after the transaction is equivalent to the claimed feature of generating a validation number because the combined value is used to identify the identity of the account holder that initiated the transaction.

The Applleant states that the each of claims 48, 49, 50, 53, 57, 58, 59, and 60 recites, inter alia, that the financial institution issues the generated validation number to the check payor allow the check payor to associate the issued validation number with the cheek to be presented from the check payor to the check payee. Applicant submits that Talati does not disclose the financial institution generating a validation number in response to a determination being made that an account contains sufficient funds.

The Examiner responds that Talahti at column 7, line 25 states that “Upon receipt of the request or deposit, the payee bank in conjunction with the client bank in the banking system 60 determines the validity of the electronic check including bank number, fund availability, account number, etc” the Examiner submits that the “payee bank” is a financial institution.

The Examiner submits that the Appellants arguments in regard to claims 48, 49 and 58, and 59 are in parallel with the arguments presented above and are therefore refuted with the same rational.

receiving from a check payor a request for a validation number yet to be associated with a check to be presented from the cheek payor to a cheek payee;	(Figure 6) Column 7, line 10- When the payor 202 authorizes payment of a specified electronic bill 502 (i.e., when the payor authorizes immediate payment or when the current date matches the previously authorized payment data for an electronic bill), the payor bank **206 checks that the payor's account has sufficient funds to cover the bill payments** and debits the payor's account accordingly. . Enclosed in the electronic check envelope is the payor bank's digital certificate. (65) The electronic check 504 is preferably the payment instrument developed by the Financial Services Technology Consortium (FSTC). It can contain the following information: (66) payor identifier; (67) **payor bank identifier;** **(68) payor's account number;** (69) payee; (70) payee bank identifier; (71) an amount; (72) date of the check; and (73) one or more comment fields.
determining if an account contains sufficient funds to cover the monetary amount of the check to be presented from the check payor to the check payee;	Bozeman Column 12, Lines 7-19 The signal passes through the match, authentication, authorization, clearing and settlement system 10 for matching. If the signal

	matches the check register data present, the signal is then sent to the customer's bank 40, where it checks for sufficient funds, stop payments, liens, account status (open or closed), funds available to cover any check (overdraft protection, etc.), and any other verifications to provide a signal back through the universal positive pay match, authentication, authorization, clearing and settlement system 10, enroute to the querying party to either accept, reject or not approve the check. If there has been a fraud, it is discovered instantly. If there are insufficient funds, the bank may elect to approve or reject based on its customer relationship.
generating a validation number when the account contains sufficient funds to cover the monetary amount of the check to be presented from the check payor to the check payee,	Talahti Column 7, lines 25-63 Upon receipt of the request or deposit, the payee bank 260 in conjunction with the client bank 250 in the banking system 60 determines the validity of the electronic check including bank number**, fund availability**, account number, etc. at step 270 and identifies the associated client or account holder 50 that initiated the transaction. The electronic check includes a UTID and associated electronic check information such as **amount, account number,** etc. In response to the electronic check, the payee 55 requests payment of the electronic check from the banking system 60 or deposits the electronic check into payee bank 260 at step 265. Upon receipt of the request or deposit, the payee bank 260 in conjunction with the client bank 250 in the banking system 60 determines the validity of the electronic check **including bank number, fund availability, account number**, etc. at step 270 and identifies the associated client or account holder 50 that initiated the transaction.
wherein the validation number is randomly	Official Notice is taken that" the validation

generated by the financial institution; and	number is randomly generated by a financial institution" is common and well known in prior art in reference to security protocols. It would have been obvious to one having ordinary skill in the art at the time the invention was made to utilize a random number in order to prevent transaction information from being associated with a customer's account, the Examiner notes that the usage of random numbers is common to many cryptography systems.
issuing the generated validation number to the check payor to allow the check payor to associate the generated validation number with the check to be presented to the check payee.	Talahti Column 7, lines 25-63 This time a validation is performed between the client 50 and a client bank 250 in the banking system 60 to guarantee that a valid client 50 requested a payment transaction. The electronic check includes a UTID and associated electronic check information such as **amount, account number,** etc. In response to the electronic check, the payee 55 requests payment of the electronic check from the banking system 60 or deposits the electronic check into payee bank 260 at step 265. Upon receipt of the request or deposit, the payee bank 260 in conjunction with the client bank 250 in the banking system 60 determines the validity of the electronic check **including bank number, fund availability, account number**, etc. at step 270 and identifies the associated client or account holder 50 that initiated the transaction.

(11) Related Proceeding(s) Appendix

No decision rendered by a court or the Board is identified by the examiner in the Related Appeals and Interferences section of this examiner's answer.

For the above reasons, it is believed that the rejections should be sustained,

Respectfully submitted
John M Winter

Examiner

Art Unit 3621

JMW
March 14, 2007

/ANDREW J. FISCHER/
Supervisory Patent Examiner, Art Unit 3621

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